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Application No. 10/068,771
Reply to Office Action of February 24, 2006**Remarks**

Currently claims 194, 197-200, 202, and 213-233 are pending in the application. Descriptions of the prior art references discussed herein may be found in Applicants' prior Amendment filed November 21, 2005, which is incorporated by reference.

Claim Rejection – § 103(a)

The Examiner has rejected claims 194, 197-200, 202, and 213-233 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,463,585 to Hendricks *et al.* ("Hendricks") in view of U.S. Patent No. 6,909,837 to Unger ("Unger"), and further in view of U.S. Patent Publication No. 2002/0129362 to Chang *et al.* ("Chang"). Applicants respectfully traverse this rejection.

Unger teaches a method to allow users to fast-forward through an advertisement while still "allowing the advertiser a limited opportunity to present an advertising method." Unger discloses that when, during a fast-forward event, a tagged I-frame is found, a static image may be displayed or a series of tagged I-frames may be displayed at normal speed as a condensed video clip. Unger teaches that when a tagged frame is encountered "an abbreviated advertising message that replaces the longer message..." is displayed (column 7; lines 21-23).

Independent claim 194 recites:

A method of delivering targeted advertisements to a subscriber of a stored video system, the method comprising:

- (a) selecting a video from the system;
- (b) determining available advertisement opportunities associated with the selected video;
- (c) selecting one or more targeted advertisements desired to be displayed to the subscriber, wherein the selected targeted advertisements correspond to the available advertisement opportunities;

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(d) delivering the selected video and the targeted advertisements to the subscriber;

(e) presenting the selected video and the targeted advertisements to the subscriber on a viewing device; and

(f) presenting, upon detection of a fast-forward or skip operation of the targeted advertisement, an alternative advertisement as a partial screen display in conjunction with the fast-forwarded or skipped advertisement, wherein the alternative advertisement and the fast-forwarded or skipped targeted advertisement are simultaneously presented to the subscriber and wherein the alternative advertisement is for a product or service directly related to the product or service of the targeted advertisement.

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references, when combined) must teach or suggest all of the claim limitations. See MPEP 2143.

The combination of Hendricks, Unger, and Chang does not teach or suggest all aspects of independent claim 194 because the combination fails to teach or suggest displaying "an alternative advertisement as a partial screen display in conjunction with the fast-forwarded or skipped advertisement, wherein the alternative advertisement and the fast-forwarded or skipped targeted advertisement are simultaneously presented to the subscriber..." On page 4 of the Final Office Action, the Examiner characterizes Unger as teaching that "the alternative advertisement ... and the fast-forwarded advertisement ... are simultaneously presented to the subscriber." Unger does not teach the display of the alternative advertisement in conjunction with the fast-forwarded advertisement.

Contrary to the Examiner's contention, Unger teaches that an alternative ad or static image "replaces" the fast forwarded ad. As such, the alternative advertisement and the fast-forwarded advertisement cannot be simultaneously presented. In one embodiment, Unger teaches that if a tagged I-frame is detected, a static image is

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displayed until it is "replaced when normal playback is resumed upon termination of the fast forward operation," (see Unger, column 5, lines 50-59). In the other embodiment taught by Unger, a condensed video clip "replaces the longer message...." Therefore Unger teaches replacing the fast forwarded ad with a static image or condensed video clip and does not teach the simultaneous display of the fast forwarded ad and the alternative ad. Unger never addresses the possibility of simultaneous display, and only discusses replacing the fast forwarded ad with a static image or condensed video.

Chang also does not teach the display of an alternative advertisement simultaneously with a fast-forwarded advertisement. According to the Examiner, "Chang discloses alternative advertisement is presented as a partial screen display simultaneously with the targeted advertisement, and alternative commercials and main commercial are simultaneously presented to the user," (see page 5 of Office Action). Chang offers no suggestion or teaching of any fast forwarding of advertisements. Displaying alternative advertisements with targeted advertisements is not the same as displaying an alternative advertisement "in conjunction with the fast-forwarded or skipped advertisement..." Thus, Chang cannot teach simultaneously displaying a fast-forwarded ad with an alternative ad because Chang does not function within a recorded video system where the user may fast-forward the presentation of content.

Furthermore, Chang does not teach or suggest displaying an "alternative advertisement for a product or service directly related to the product or service of the targeted advertisement." Chang cannot be said to teach a direct relationship, because Chang seeks to more effectively tailor television by allowing users to exclude commercials they are not interested in. In Chang, the main commercial and the alternative commercial are not directly related and in fact must be substantially different from each other to offer a user the choice to exclude one commercial in favor of another (see Chang, paragraph 0057). Therefore, Chang cannot teach that a fast-forwarded advertisement and a simultaneously displayed alternative advertisement are directly related.

Since the proposed combination fails to teach that "the alternative advertisement and the fast-forwarded or skipped targeted advertisement are simultaneously presented"

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and that the simultaneously display advertisements are "directly related," all aspects of claim 194 are not suggested or taught. Therefore, for at least the above reasons, the Examiner has failed to make a *prima facie* case for obviousness based on the combination of Hendricks, Unger, and Chang.

To satisfy the burden of *prima facie* obviousness, the Examiner must also show "an objective teaching in the prior art, or that knowledge generally available to one of ordinary skill in the art, would lead that individual to combine the relevant teachings of the references in the manner suggested by the Examiner," (*See In re Fine*, 5 USPQ2d 1596, 1598 (Fed. Cir. 1998)).

The Examiner has not provided an objective teaching in the prior art or knowledge available to one of ordinary skill in the art that would lead an individual to combine Unger and Hendricks. There is no objective teaching in Hendricks suggesting that shortened or fast forwarded ads would better accomplish the objectives of Hendricks. There is no objective teaching in Unger suggesting that ads targeted to a user profile would help with the presentation of a condensed video clip. Furthermore, one skilled in the art seeking to present targeted ads as taught by Hendricks would have no motivation to minimize the interruption of commercials; the point of Hendricks is to present full length commercials. One skilled in the art seeking to present targeted ads would desire to have the entire advertisement seen (so that they can then bill the advertiser), instead of having an abbreviated version displayed.

Further, Unger addresses "video recordings" whereas Hendricks "addresses a television delivery network," (see Unger, column 1, line 9-10 and Hendricks, column 1, lines 56-57). Contrary to the Examiner's contention, those skilled in the art of Unger's invention (the manufacturers of video recording equipment) would have little interest in the "broadcaster's source of revenue," and in fact are commonly at odds with broadcasters. Therefore, the Examiner has offered no motivation to combine Hendricks and Unger.

The Examiner has also not pointed to an objective teaching in the prior art or knowledge available to one of ordinary skill in the art that would lead an individual to combine Chang with the flawed combination of Hendricks and Unger. The Examiner

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offers "convenience to users" as a motivation for combining Chang with Hendricks and Unger. However, none of the references of the proposed combination are directed at improving the "convenience to users." Further, Unger does not attempt to "tailor television commercials to viewers to heighten viewer interest in commercials shown," (see Chang, paragraph 0007). Instead, Unger attempts to provide "a method and system of providing alternative, less-intrusive advertising..." (see Unger, column 1, lines 14-16). Chang teaches a method to heighten interest in commercials, while Unger teaches a method to allow users to fast forward through them. Clearly, fast forwarding through a commercial does not show or allow for a heightened level of interest.

Furthermore, the method of Chang allows viewers to choose to exclude either the main commercial or the alternative commercial. In the combination proposed by the Examiner, one of the displayed commercials would be fast-forwarded, making it much more difficult for a user to identify the commercial and subsequently decide whether he wanted to view it or not, which defeats the purpose of Chang. There is no motivation (or teaching) offered in any of the references for showing a fast-forwarded advertisement simultaneously with an alternative advertisement. The only reference addressing a fast-forwarded advertisement, teaches replacing the fast-forwarded advertisement - not showing it simultaneously - with an alternative advertisement. Therefore, for the preceding reasons, the Examiner has offered no motivation to combine the proposed references.

Moreover, if the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. See *In re Ratti*, 270 F.2d 810, 123 U.S.P.Q. 349 (C.C.P.A. 1959); MPEP § 2143.01. The proposed modification of Chang with Unger would change the primary mode of operation of Unger, and therefore the teachings are not sufficient to render the claims *prima facie* obvious. Unger functions by analyzing the fast forwarded advertisement for tagged I-frames and then presenting either a static image or condensed video. Chang discloses providing a main commercial and an alternative commercial and allows the user to exclude one of the commercials. Both the main and alternative commercials in Chang

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are pre-stored on a storage medium of the user equipment and are not dynamically created as in Unger (upon the encountering of a tagged I-frame during a fast forward event). The static image or the condensed video clip taught by Unger does not exist independently of the fast forwarded commercial, so if the primary commercial is "excluded" as taught in Chang, Unger's system no longer functions.

Further, the combination of Unger with Hendricks and/or the combination of Unger with Chang would change the primary mode of operation of Hendricks and/or Chang. Hendricks and Chang do not function within the field of video recording, but rather within the field of broadcast television. No fast-forwarding is possible within the systems of Hendricks or Chang. Hendricks functions by packing targeted programming into different categories and menus for weekday, prime-time viewing and Saturday afternoon viewing, (see Hendricks column 11, lines 19-22). Feeder channels are switched to in Hendricks to provide targeted advertisements, (see Hendricks column 26, lines 24-30). The targeting of Hendricks is largely time related and therefore Unger's system which focuses on the play back of recorded video would change the primary mode of operation of Hendricks, rendering the feeder channels of Hendricks and other time dependent functions inoperative.

Applicants respectfully submit that for the preceding reasons, Hendricks, Unger, and Chang are not properly combinable and even if combinable the proposed combination does not teach all aspects of independent claim 194. Therefore claim 194 is believed to be allowable over the suggested combination of Hendricks, Unger, and Chang.

Independent claim 220 recites presenting "an alternative as a partial screen display in conjunction with the fast-forwarded or skipped advertisement, wherein the alternative advertisement and the fast-forwarded or skipped targeted advertisement are simultaneously presented to the subscriber..." For the same reasons discussed in relation to claim 194, the proposed combination of Hendricks, Unger, and Chang does not disclose all features of independent claim 220. Thus, independent claim 220 is believed to be allowable.

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Dependent claims 197-200, 202, 213-219, and 221-233 are allowable at least by their dependency on independent claim 194 and 220, respectively. Reconsideration and withdrawal of the Examiner's obviousness rejection of claims 194, 197-200, 202, and 213-233 are respectfully requested.

Conclusion

In view of the foregoing amendments and remarks, Applicants respectfully submit that the Examiner's rejections have been overcome, and that the application, including claims 194, 197-200, 202, and 213-233, is in condition for allowance. Reconsideration and withdrawal of the Examiner's rejection and a Notice of Allowance are respectfully requested.

Respectfully submitted,

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